

UNITED STATES OF AMERICA
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001

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OFFICE OF THE SECRETARY

Experimental Presorted)
Priority Mail Rate Categories, 2001)

Docket No. MC2001-1

OFFICE OF THE CONSUMER ADVOCATE
INTERROGATORIES TO UNITED STATES POSTAL SERVICE
WITNESS: THOMAS M. SCHERER (OCA/USPS-T1-1-6)
(March 23, 2001)

Pursuant to sections 26 and 27 of the Rules of Practice of the Postal Rate Commission, the Office of the Consumer Advocate hereby submits interrogatories and requests for production of documents.

If data requested are not available in the exact format or level of detail requested, any data available in (1) a substantially similar format or level of detail or (2) susceptible to being converted to the requested format and detail should be provided.

The production of documents requested herein should be made by photocopies attached to responses of these interrogatories. If production of copies is infeasible due to the volume of material or otherwise, production should be made for inspection at the Office of the Consumer Advocate, 1333 H Street, N.W., Washington, D.C. 20268-0001, during the hours of 8:00 a.m. to 4:30 p.m.

If a privilege is claimed with respect to any data or documents requested herein, the party to whom this discovery request is directed should provide a Privilege Log (see, e.g., Presiding Officer's Rulings C99-1/9 and 11, Docket No. C99-1). Specifically, "the party shall make the claim expressly and shall describe the nature of the documents,

communications, or things not produced or disclosed in a manner that, without revealing information itself privileged or protected, will enable other parties to assess the applicability of the privilege or protection.” Fed. R. Civ. P. 26(b)(5).

The term “documents” includes, but is not limited to: letters, telegrams, memoranda, reports, studies, newspaper clippings, speeches, testimonies, pamphlets, charts, tabulations, and workpapers. The term “documents” also includes other means by which information is recorded or transmitted, including printouts, microfilms, cards, discs, tapes and recordings used in data processing together with any written material necessary to understand or use such punch cards, discs, tapes or other recordings.

“All documents” means each document, as defined above, that can be located, discovered or obtained by reasonable diligent efforts, including without limitation all documents possessed by: (a) you or your counsel; or (b) any other person or entity from whom you can obtain such documents by request or which you have a legal right to bring within your possession by demand.


“Communications” includes, but is not limited to, any and all conversations, meetings, discussions and any other occasion for verbal exchange, whether in person or by telephone, as well as all documents, including but not limited to letters, memoranda, telegrams, cables, or electronic mail.

“Relating to” means discussing, describing, reflecting, containing, analyzing, studying, reporting, commenting on, evidencing, constituting, setting forth, considering, recommending, concerning, or pertaining to, in whole or in part. Responses to requests for explanations or the derivation of numbers should be accompanied by workpapers. The term “workpapers” shall include all backup material whether prepared manually,

mechanically or electronically, and without consideration to the type of paper used. Such workpapers should, if necessary, be prepared as part of the witness's responses and should "show what the numbers were, what numbers were added to other numbers to achieve a final result." The witness should "prepare sufficient workpapers so that it is possible for a third party to understand how he took data from a primary source and developed that data to achieve his final results." Docket No. R83-1, Tr. 10/2795-96. Where the arithmetic manipulations were performed by an electronic digital computer with internally stored instructions and no English language intermediate printouts were prepared, the arithmetic steps should be replicated by manual or other means.

Please especially note that if you are unable to provide any of the requested documents or information, as to any of the interrogatories, please provide an explanation for each instance in which documents or information cannot be or have not been provided.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Emmett Rand Costich", written over a horizontal line.

TED P. GERARDEN

Director

Office of the Consumer Advocate

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OCA/USPS-T1-1. Please refer to your testimony at page 5, lines 19-21, where it states that the Priority Mail presort discount eliminated in Docket No. R97-1 "limited flexibility" because of its "density-based sequential sorting requirements" Please explain in detail how four levels of "density-based sequential sorting requirements" limited flexibility for mailers. Please explain how the proposed experiment differs from an arrangement with "density-based sequential sorting requirements."

OCA/USPS-T1-2. Please refer to your testimony at page 9, lines 6-8, which states, "The first risk with respect to fully realizing estimated cost savings is that presort volume may have different characteristics from the overall Priority Mail profile." Please provide data on the mail mix characteristics of the Priority Mail volume that qualified for participation in the previous Priority Mail presort discount program. What is the current flats-parcel mix of ADP?

OCA/USPS-T1-3. Please refer to your testimony at page 9, lines 17-18, which states, "A second mitigating factor is that the Postal Service has limited experience with Priority Mail worksharing." Please explain in detail how Priority Mail worksharing is different from other types of worksharing?

OCA/USPS-T1-4. Please refer to your testimony at page 10, lines 7 and 8.

- a. Please describe in detail "the proposed presort discount's containerization requirements."

- b. Please describe the differences, if any, from the current Priority Mail containerization requirements.

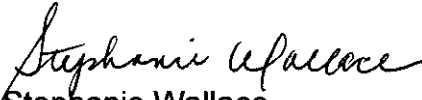
OCA/USPS-T1-5. Please refer to your testimony at page 10, lines 20-3, where it states, "The Postal Service believes that the proposed new presort discount's flexibility . . . will attract more mailer interest than . . . the old discount." Please confirm that the Postal Service's belief is based in part on discussions with potential Priority Mail presort mailers.

- a. If you do not confirm, please explain the basis for your assumption that the proposed discount will double the volume of presorted Priority Mail, as compared to the volume of the old presort discount.
- b. If you do confirm, please provide the number of potential Priority Mail presort mailers with whom the Postal Service discussed the proposed Priority Mail presort discount.

OCA/USPS-T1-6. Please refer to your testimony at pages 15 and 16, lines 23 and 1, respectively, where it states that the two-to-three-day package and document delivery "market is approximately 2 billion pieces per year." Please provide any data, the source, and the methodology used to arrive at this figure, or other information, that substantiate this statement.

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the rules of practice.


Stephanie Wallace

Washington, D.C. 20268-0001
March 23, 2001